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| 10/520,996                               | 02/14/2005  | Gerard J Barry       | 05-002              | 5220             |
| 20306                                    | 7590        | 03/16/2010           | EXAMINER            |                  |
| MCDONNELL BOEHNEN HULBERT & BERGHOFF LLP |             |                      | ANDERSON, JOHN A    |                  |
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

|                              |                                      |                                     |
|------------------------------|--------------------------------------|-------------------------------------|
| <b>Office Action Summary</b> | <b>Application No.</b><br>10/520,996 | <b>Applicant(s)</b><br>BARRY ET AL. |
|                              | <b>Examiner</b><br>JOHN A. ANDERSON  | <b>Art Unit</b><br>3694             |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
  - If no period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
  - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 08 October 2009.
- 2a) This action is FINAL.      2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-29 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All    b) Some \* c) None of:
1. Certified copies of the priority documents have been received.
  2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO/SB/08) \_\_\_\_\_  
 Paper No(s)/Mail Date \_\_\_\_\_
- 4) Interview Summary (PTO-413)  
 Paper No(s)/Mail Date \_\_\_\_\_
- 5) Notice of Informal Patent Application
- 6) Other: \_\_\_\_\_

**DETAILED ACTION**

**Response to amendment:**

1. In the amendment filed 10/08/2009, the following has occurred: Claims 1,4,5,7-15, and 20-23 have been amended. Claims 25-29 have been added. Claims 1-29 are pending and are presented for examination.

***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:  
  
The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.  
  
Claim 26 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 26 depends back to its self.

***Claim Rejections - 35 USC §101***

3. 35 U.S.C. §101 reads as follows:  
  
Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement

thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1-11 are rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter.
5. Based on Supreme Court precedent (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) and recent Federal Circuit decisions, §101 process must (1) be tied to another statutory class (such as a particular machine) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (the Supreme Court recognized that this test is not necessarily fixed or permanent and may evolve with technological advances. *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)).
6. If neither of these requirements is met by the claim(s), the method is not a patent eligible process under 35 U.S.C. §101.
7. In this particular case, regarding the first test, in performing the steps of the claimed subject matter, there is no requirement that a machine be used, thus the claims are not considered sufficiently tied to another statutory class.

Regarding the second test, since the claimed subject matter may be performed using only human intelligence, the steps do not sufficiently transform the underlying subject matter to be statutory. Thus, to qualify as a 101 statutory method, the claim should positively recite the other statutory class (the thing or product) to which it is tied and sufficiently transform the underlying subject matter. Appropriate correction is required

***Claim Rejections - 35 USC § 102***

8. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:  
A person shall be entitled to a patent unless –  
(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.
9. Claims 1-5, 9-16,18-29 are rejected under 35 U.S.C. 102(b) as being anticipated by Prasad (EP 1058217).
10. Regarding claims 1 and 12 Prasad discloses ( see figs 1 and 3); a method for effecting the performance of a payment card transaction for a first transaction

amount between a first merchant and a first cardholder, the method comprising the steps of:

- a) in response to initiation of the payment card transaction between the first merchant and the first cardholder, (sibling card 22), creating a first payment card transaction record between the first merchant and a second cardholder (sibling card 24) for the first transaction amount in a first currency, [0069]
- b) in response to the initiation of the payment card transaction between the first merchant (ATM 26) and the first cardholder,(Sibling 22),creating a second payment card transaction record between a second merchant and the first cardholder, wherein the second transaction record identifies a second transaction amount in a second currency which equates to the first transaction amount converted into the second currency, and [0053]
- c) submitting the first transaction record and the second transaction record for processing as respective first and second payment card transactions, whereby processing said first record credits said first merchant (ATM 26) and processing said second record debits said first cardholder.[0053]

11. Regarding claims 2 and 13, Prasad discloses (Original) A method for effecting the performance of a payment card transaction according to claim 1, wherein the step of submitting the first transaction record and the second transaction record for processing comprises the step of submitting the first transaction record for

processing as an unconverted payment transaction.[0036]

12. Regarding claims 3 and 14, Prasad discloses (Previously Presented) A method for effecting the performance of a payment card transaction according to claim 1, wherein the step of submitting the first transaction record and the second transaction record for processing comprises the step of submitting the second transaction record for processing as a converted payment transaction.[0036]
13. Regarding claims 4 and 15, Prasad discloses (Currently Amended) A method for effecting the performance of a payment card transaction according to claim 1, further comprising the steps of:  
creating, in response to the initiation of the payment card transaction between the first merchant and the first cardholder, a third payment card transaction record between the second cardholder and the second merchant for an amount in the first currency, the amount being the negative equivalent of the first transaction amount and  
submitting the third payment card transaction record for payment processing, whereby processing credits the second merchant and debits the second cardholder.[0046]
14. Regarding claims 5 and 16, Prasad discloses (Currently Amended) A method for effecting the performance of a payment card transaction according to claim 4,

wherein the third payment card transaction record is submitted as an unconverted payment card transaction .[0036]

15. Regarding claims 9, 20 and 21, Prasad discloses (Currently Amended) A method according to claim 1, further comprising the step of creating a merchant additional revenue card transaction record between a cardholder account of the first merchant (ATM 26) and the second merchant (ATM 28) or an associated merchant thereof, the transaction record representing a refund which equates to additional revenue to be settled to the first merchant in response to using dynamic currency conversion to engage in the payment card transaction with the first cardholder. [0053]
  
16. Regarding claims 10, 22 and 23, Prasad discloses (Currently Amended) A method according to claim 1, further comprising the step of creating a multi-currency banking partner member card scheme processor (MBPMCSP) card transaction record between the second or a related cardholder and a merchant associated with the MBPMCSP, wherein the MBPMCSP card transaction record identifies a transaction amount equating to the fees payable to the MBPMCSP for processing the payment card transaction as a dynamic currency transaction.[0052]

17. Regarding claim 11, Prasad discloses (Currently Amended) A method according to claim 1, further comprising the step of creating a MBPMCSP card transaction record between a cardholder account of the MBPMCSP and the second merchant or an associated merchant thereof, the MBPMCSP card\_transaction record representing a refund which equates to the fees payable to the MBPMCSP for processing the payment card transaction as a dynamic currency transaction. [0021]
18. Regarding claim 18, Prasad discloses (Previously Presented) A system adapted to effect the performance of a payment card transaction according to claim 12, wherein the system comprises a payment card terminal (ATM) .[Fig 1 and 3]
19. Regarding claim 19, Prasad discloses (Previously Presented) A system adapted to effect the performance of a payment card transaction according to claim 12, wherein the system comprises an intermediate or other host computer system (fulfillment center 20) adapted to receive payment transaction records from a payment card terminal or other device and route them for processing as either converted or unconverted transactions .[Fig 1 and 3]

20. Regarding claim 24, Prasad discloses (New (Previously Presented) A computer program having code embodied therein which when implemented on a computer effects the methods of claim 1. [Fig 1 and 3]
21. Regarding claim 25, Prasad discloses (New) A system adapted to effect the performance of a payment card transaction according to claim 12, wherein the first currency is a merchant currency specified for the first merchant and the second currency is a cardholder currency specified for the first cardholder.[0063]
22. Regarding claim 26, Prasad discloses (New) A system adapted to effect the performance of a payment card transaction according to claim 26, the details of the payment card transaction further include the first transaction amount in the cardholder currency. [0036]
23. Regarding claim 27, Prasad discloses (New) A method for processing a payment card transaction between a merchant and a cardholder using a payment card at a point of service (POS) device, said payment card transaction including a transaction amount, and said method comprising:  
receiving, at a host processor, a converted transaction record for said payment card transaction, said converted transaction record including said transaction amount in a first currency specified for said cardholder;  
in response to said receiving operation, creating a first transaction record

between said merchant and an intermediate cardholder account for said transaction amount in a second currency specified for said merchant; in response to said receiving operation, creating a second transaction record between said cardholder and an intermediate merchant account for said transaction amount in said first currency, said transaction amount of said second transaction record in said first currency being equivalent to said transaction amount of said first transaction record in said second currency; submitting said first transaction record for processing, whereby processing said first transaction record debits said transaction amount from said intermediate cardholder account and credits said transaction amount to said merchant; and submitting said second transaction record for processing, whereby processing said second transaction record debits said transaction amount from said cardholder account and credits said transaction amount to said intermediate merchant account.[0053]

24. Regarding claim 28, Prasad discloses (New) A method as claimed in claim 27 wherein:
- said processing said first transaction record credits said transaction amount to said merchant in said second currency; and
- said processing said second transaction record debits said transaction amount from said cardholder in said first currency. [0053]

25. Regarding claim 29 ,Prasad discloses (New) A method as claimed in claim 27 further comprising:  
creating a third transaction record between said intermediate cardholder account and said intermediate merchant account for an amount in the second currency, the amount being the negative equivalent of said transaction amount; and submitting the third payment card transaction record for payment processing, whereby processing credits said transaction amount to said intermediate merchant account and debits said transaction amount from said intermediate cardholder account. [0053]

***Claim Rejections - 35 USC § 103***

26. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:
- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

27. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:
1. Determining the scope and contents of the prior art.
  2. Ascertaining the differences between the prior art and the claims at issue.
  3. Resolving the level of ordinary skill in the pertinent art.
  4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
28. Claims 6-8 and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Prasad (EP 1058217) as applied to claim 1 above, and further in view of Nemzow (US Patent 6721715).
29. As regards claims 6 and 17 , Prasad does not disclose (Previously Presented) A method for effecting the performance of a payment card transaction according to claim 4, further comprising the initial step of determining whether a transaction is a dynamic currency convertible transaction prior to performing the steps of creating the one or more transaction records.
- Nemzow discloses A method for effecting the performance of a payment card transaction according to claim 4, further comprising the initial step of determining whether a transaction is a dynamic currency convertible transaction prior to performing the steps of creating the one or more transaction records.[col 4; lines 5-23]

It would have been obvious for a person of ordinary skill in the art at the time of the invention was made to use Nemzow in the device of Prasad .The motivation would have been to avoid manipulation of the exchange rate when transacting in foreign currency.

30. As regards claim 7 , Prasad does not disclose (Currently Amended) A method for effecting the performance of a payment card transaction according to claim 4, further comprising the step of posting the first and/or second and/or third payment card transaction records to  
[[the]] a host computer system associated with an acquiring and/or multi-currency bank.

Nemzow discloses A method for effecting the performance of a payment card transaction according to claim 4, further comprising the step of posting the first and/or second and/or third payment card transaction records to  
[[the]] a host computer system associated with an acquiring and/or multi-currency bank. [col 1; lines 11-15]

It would have been obvious for a person of ordinary skill in the art at the time of the invention was made to use Nemzow in the device of Prasad .The motivation would have been to avoid manipulation of the exchange rate when transacting in foreign currency.

31. As regards claims 8 , Prasad does not disclose (Currently Amended) A method according to claim [[4]] 1, further comprising the step of creating a merchant additional revenue card transaction record between the second or a related cardholder and the first merchant, wherein the merchant additional revenue card transaction record identifies a transaction amount which equates to additional revenue to be settled to the first merchant in response to using dynamic currency conversion to engage in the payment card transaction with the first cardholder. Nemzow discloses A method according to claim [[4]] 1, further comprising the step of creating a merchant additional revenue card transaction record between the second or a related cardholder and the first merchant, wherein the merchant additional revenue card transaction record identifies a transaction amount which equates to additional revenue to be settled to the first merchant in response to using dynamic currency conversion to engage in the payment card transaction with the first cardholder. [col 8; lines 11-15]

It would have been obvious for a person of ordinary skill in the art at the time of the invention was made to use Nemzow in the device of Prasad .The motivation would have been to avoid manipulation of the exchange rate when transacting in foreign currency.

***Response to Arguments***

32. Applicant's arguments with respect to claims 1-29 have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

33. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN A. ANDERSON whose telephone number is (571)270-3327. The examiner can normally be reached on Monday through Friday 8:00 to 5:00 Pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/John A Anderson/  
Examiner, Art Unit 3694

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Application/Control Number: 10/520,996

Page 17

Art Unit: 3694

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